



JOINT ECONOMIC COMMITTEE DEMOCRATS

SENATOR JACK REED (D-RI) - RANKING DEMOCRAT



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CONSUMER PRICE INDEX FALLS IN SEPTEMBER

Real Earnings Still Lower Than They Were Three Years Ago

Washington, D.C. – The consumer price index (CPI) fell 0.5 percent in September as consumer energy prices fell 7.2 percent, according to the latest data from the Bureau of Labor Statistics. The sharp drop in the CPI caused a temporary spike in real (inflation-adjusted) wages.

Despite the declines in September, energy prices remain 6 percent higher than they were at the beginning of the year and nearly 50 percent higher than they were in January 2001.

“American families have been squeezed by soaring energy prices over the past five years, so this respite is long overdue,” said **Sen. Jack Reed (D-RI)**, Ranking Democrat on the **Joint Economic Committee**, “Consumer energy prices remain high and workers’ real earnings remain lower than they were three years ago, leaving far too many families who aren’t sharing in the benefits of economic growth. The President’s policies have simply not delivered a rising standard of living to most American families.”

After adjusting for inflation, the average hourly earnings of production or nonsupervisory workers on nonfarm payrolls rose by 1 percent in September. However, those real wages are only 0.4 percent higher than they were at the beginning of the year and remain lower than they were three years ago.

The core consumer price index, which removes the volatile food and energy components, rose 0.2 percent for the third straight month in September.

The Joint Economic Committee, established under the Employment Act of 1946, was created by Congress to review economic conditions and to analyze the effectiveness of economic policy.

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